

<b>Insure Montana Purchasing Pool</b>		<b>Agency/Program #:</b> 3401-03-I2
		<b>Division:</b> Insurance Program
		<b>Program:</b> Insure Montana
<b>Agency Name:</b>	State Auditor's Office	
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<b>LFC Contact:</b>	Representative Sesso, Representative Taylor	
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**Program or Project Description:**

Insure Montana is the Small Business Health Insurance Program passed during the 2005 Legislative Session. The program has two primary components: to provide refundable tax credits to small businesses that are currently providing group health insurance to their employees, and to provide premium assistance and incentive payments through our purchasing pool or a qualified association plan to previously uninsured businesses.

Appropriation, Expenditure and Source					
Fund Name:	2008		2009		Approp & Expenditure numbers are as of October 31, 2007
	Approp.	Expended	Approp.	Expended	
General Fund					
State Special	6,557,006	2,037,141	6,562,840		
Federal Funds					
Total:	\$6,557,006	\$2,037,141	\$6,562,840	\$0	

**Goal(s):**

Maintain a purchasing pool through which small businesses can more competitively bid for health care coverage, reduce the number of uninsured Montanans working for small businesses.

**Performance Measures :**

Insure at least 5,000 previously uninsured lives covered through the purchasing pool or a qualified association health plan measured through the monthly number of lives covered through premium assistance and incentive payment system. Provide accessible and affordable health coverage to as many Montanans as possible within the constraints of the limited budget.

		Completion Dates	
2009 Biennium Significant Milestones:		Target	Actual
1	Evaluate participant needs and wants for health coverage using CHAT (Choosing Health plans All Together), including applicants who declined coverage in the process.	2/28/2008	
2	Initiate an RFP process with the goal of having 2-3 carriers available in the pool or a compelling reason not to have one, with the RFP complete by 8/31/08 for a 1/1/09 effective date	1/1/2009	
3	Adjust assistance schedules to reflect newest federal poverty guidelines.	2/28/2008	
4	Verify income information for all subscribers and adjust assistance payments if applicable, using revised schedule (item 3)	4/30/2008	
5	Verify renewal paperwork received by 10/31/07 and renew (and quote) all groups wishing to and eligible to continue in the program.	1/1/2008	

Evaluate participation and budget following renewal and add an appropriate number of waiting list businesses to the program.

3/31/2008

### Performance Report:

Renewal paperwork was mailed to all participating groups in mid-September 2007 with a due date of October 31; all but 25 groups have returned renewal paperwork as of November 28, 2007. Renewal rates and 2008 plan designs were negotiated with Blue Cross/Blue Shield, 2008 subsidy levels were set by the Board of Directors, and 2008 quotes were sent to all renewing groups by mid-November. The Board set a tentative timeline for implementing the CHAT program (item 1 above) and an RFP, with the goal of having at least one additional carrier participating in the purchasing pool by January 1, 2009 unless no compliant and/or competitive proposal is submitted. For the remainder of FY2008, the goal of the program is to verify participant income levels (implementing some random audits as allowed by law) and maintain the pool at full capacity while obtaining participant input regarding possible adjustments to the program.

### LFD Narrative:

#### EXECUTIVE CHANGES

1. Changes to goals/initiatives –Yes, language refined to include prevent loss of health insurance coverage due to affordability
2. Changes to performance measures- Yes, added provide accessible and affordable health coverage to as many Montanans as possible within the constraints of the limited budget

#### LFD ASSESSMENT

1. Goal is measurable within the biennium: Yes
2. Progress toward goals: On track, SAO appears to be on track to finish the renewal portion of providing information to the employers participating in the program. The workgroup may wish to discuss the renewal rates, the recent increases and the impacts to the program from the increases.

#### APPROPRIATION ISSUES

1. Appropriation/expenditure provided - No
2. Other appropriation issues – No

#### OPTIONS REGARDING THE GOAL/INITIATIVE AND PERFORMANCE MEASURES

The workgroup may wish to request:

- another report on the success of ensuring 5,000 uninsured participants during the November 2008 performance measurement workgroup meeting with additional information any new increases in premium rates and the effect on the program
- information on the process SAO will be using to measure the additional portion of the goal to prevent loss of health insurance coverage due to affordability



Version	Date	Author

Change Description